

**State Of New Mexico**  
**Energy, Minerals and Natural Resources Department**

20-Sep-24

**YARBROUGH OIL LP**

**Pre Enforcement Notification**

c/o HALE DUNCAN & CO  
Box 2526  
Hobbs, NM 88241

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.

Please notify the Compliance Officer copied on this letter, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

**INSPECTION DETAIL SECTION**

[30-025-10789] E L STEELER #007		OGRID: 25504	L-17-23S-37E 1980 FSL 660 FWL	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Inspection No.</b>	
9/20/2024	Routine Inspection	[GR] Gary Robinson	iGR2426430132	
<b>Violation</b>	<b>Title</b>		<b>Corrective Action Due</b>	
cGR2426445735	19.15.26 Injection Detection of Deficient Mechanical Integrity		12/19/2024	
	(FAILED 2024 UIC testing -- Well has not injected since 7-1990. Well was T/A'd in 2008 & expired in 2013. Extended in 2014 and expired in 2015. Applied for extension in 2020 w/ conditions of running MIT and this will be last extension. No T/A test was ever recorded. Last BHT 8-3-2017. Last MIT 8-13-2014. Last injected into in 1990, no injection in more than 1 year (HAS LOST AUTHORITY TO INJECT). WELL NEEDS TO BE PLUGGED.)			
cGR2426445736	19.15 Oil and Gas Mechanical Integrity Failure Recorded		12/19/2024	
	(Auto Generated Violation - MIT Failure exits.)			

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

**Note:** Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division \* 1625 N. French Drive \* Hobbs, NM 88240  
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